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*Special Counsel to Debtors  
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**  
**PG&E CORPORATION,**  
**-and-**  
**PACIFIC GAS & ELECTRIC COMPANY,**  
**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors

*\* All papers shall be filed in Lead Case No.  
19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**SUMMARY SHEET TO FIRST INTERIM  
FEE APPLICATION OF COBLENTZ  
PATCH DUFFY & BASS LLP FOR  
ALLOWANCE AND PAYMENT OF  
COMPENSATION AND  
REIMBURSEMENT OF EXPENSES  
(JANUARY 29, 2019 THROUGH  
SEPTEMBER 30, 2019)**

Date: TBD

Time: 10:00 a.m. (Pacific Time)

Place: United States Bankruptcy Court  
Courtroom 17, 16th Floor  
San Francisco, CA 94102

Judge: Hon. Dennis Montali

**Objection Deadline:** December 4, 2019 at  
4:00 p.m. (Pacific Time)

## GENERAL INFORMATION

Name of Applicant: Coblentz Patch Duffy & Bass LLP

Authorized to Provide Professional Services to: Special Counsel to Debtors and Debtors in Possession

Petition Date: January 29, 2019

Retention Date: July 11, 2019 *nunc pro tunc* to January 29, 2019

Prior Applications: None

## SUMMARY OF FEES AND EXPENSES SOUGHT IN THIS APPLICATION

Amount of Compensation Sought as Actual, Reasonable, and Necessary: **\$1,025,814.52**

Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary: **\$17,595.12**

Total Compensation and Expenses Requested for the Compensation Period: **\$1,043,409.64**

## SUMMARY OF PRIOR MONTHLY FEE STATEMENTS

Date Filed	Period Covered	Requested Fees	Requested Expenses	Paid Fees	Paid Expenses	Holdback Fees Requested
08/23/19 [Dkt. No. 3679]	1/29/19 – 2/28/19	\$80,809.70	\$974.15	\$64,647.76	\$974.15	\$16,161.94
08/28/19 [Dkt. No. 3741]	3/1/19 – 3/31/19	\$124,443.40	\$1,180.37	\$99,554.72	\$1,180.37	\$24,888.68
08/28/19 [Dkt. No. 3742]	4/1/19 – 4/30/19	\$162,499.20	\$163.09	\$129,999.36	\$163.09	\$32,499.84
08/30/19 [Dkt. No. 3763]	5/1/19 – 5/31/19	\$178,126.20	\$7,208.81	\$142,500.96	\$6,953.62	\$35,625.24
08/30/19 [Dkt. No. 3765]	6/1/19 – 6/30/19	\$148,515.80	\$1,256.60	\$118,812.64	\$1,256.60	\$29,703.16
08/30/19 [Dkt. No. 3771]	7/1/19 – 7/31/19	\$93,200.68	\$0.00	\$74,560.54	\$0.00	\$18,640.14
09/30/19 [Dkt. No. 4038]	8/1/19 – 8/31/19	\$124,991.08	\$1,546.10	\$99,992.86	\$1,546.10	\$24,998.22
10/31/19 [Dkt. No. 4528]	9/1/19 – 9/30/19	\$113,228.46	\$5,266.00	\$0.00	\$0.00	\$22,645.69
		<b>\$1,025,814.52</b>	<b>\$17,595.12</b>	<b>\$730,068.85</b>	<b>\$12,329.12</b>	<b>\$205,162.91</b>

Summary of Any Objections to Monthly Fee Statements: **None**

Compensation and Expenses Sought in this Interim Application Not Yet Paid: **\$205,162.91<sup>1</sup>**

<sup>1</sup> Assumes Applicant receives payment on its Eighth Monthly Fee Statement (for September 2019) [Dkt. No. 4528] on, or prior to, the hearing on this Application.

**COMPENSATION BY PROFESSIONAL  
JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019**

The Coblenz attorneys and paraprofessionals who rendered legal services in these Chapter 11 Cases during the Interim Fee Period are:

Name of Professional	Position	Primary Practice Group <sup>2</sup>	Year Admitted	Reduced Hourly Rate for Debtors	Total Hours Billed	Total Compensation
Barbara Milanovich	Partner	RE	1980	\$648.00	471.40	\$305,467.20
Doug Sands	Partner	RE	1987	\$648.00	550.40	\$353,443.82
Ficks, Gregg	Partner	BCR/LIT	1990	\$643.00	151.80	\$94,571.40
David C. Beach	Counsel	LIT	2003	\$540.00	0.40	\$216.00
Robert B. Hodil	Counsel	RE	2003	\$520.00	0.70	\$364.00
Sean Coyle	Partner	LIT	2004	\$500.00	305.30	\$152,650.00
Misti M. Schmidt	Counsel	RE	2007	\$450.00	2.10	\$945.00
Mark Hejinian	Associate	LIT	2011	\$400.00	40.60	\$16,240.00
James F. McKee	Associate	LIT	2014 (TX); 2019 (CA)	\$400.00	106.10	\$42,440.00
Joy L. Spezeski	Associate	RE	2013 (IL); 2016 (CA)	\$369.00	0.10	\$36.90
Daniel P. Barsky	Associate	RE	2017	\$334.00	14.60	\$4,876.40
Leah Collins	Associate	RE	2016	\$334.00	25.10	\$8,383.40
Michael R. Wilson	Paralegal	RE	N/A	\$302.00	61.60	\$18,603.20
Doug B. Larson	Paralegal	RE	N/A	\$284.00	0.70	\$198.80
Yasmin Jayasuriya	Paralegal	LIT	N/A	\$260.00	22.10	\$5,746.00
Jordan V. Mendoza	Paralegal	LIT	N/A	\$250.00	11.50	\$2,875.00
Angie H. Brandt	Paralegal	RE	N/A	\$248.00	3.80	\$942.40

<sup>2</sup> RE = Real Estate; LIT = Litigation; BCR = Bankruptcy and Creditors' Rights; CORP = Corporate

Name of Professional	Position	Primary Practice Group <sup>2</sup>	Year Admitted	Reduced Hourly Rate for Debtors	Total Hours Billed	Total Compensation
Dianne M. Sweeny	Paralegal	RE	N/A	\$210.00	4.50	\$945.00
Viet Doan	Paralegal	LIT	N/A	\$175.00	96.40	\$16,780.00
<b>Total Professionals:</b>					1,869.20	<b>1,025,814.52</b>

PROFESSIONALS TOTALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Partners and Counsel	\$612.41	1,482.10	\$907,657.42
Associates	\$385.93	186.50	\$71,976.70
<b>Blended Attorney Rate</b>	<b>\$587.10</b>	<b>1,668.60</b>	<b>\$979,634.12</b>
Paraprofessionals and other non-legal staff	\$230.21	200.60	\$46,180.40
<b>Total Fees Incurred</b>	<b>\$548.80</b>	<b>1,869.20</b>	<b>1,025,814.52</b>

**COMPENSATION BY WORK TASK CODE  
JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019**

The following Task Codes and Descriptions were used by Coblentz in conjunction with pre-petition time entries and invoices as required by Debtors prior to the filing of these Bankruptcy Cases. Coblentz has continued to use these Task Codes and Descriptions in conjunction with post-petition time entries and invoices in these Special Counsel matters.

<b>TASK CODE</b>	<b>DESCRIPTION</b>	<b>HOURS</b>	<b>AMOUNT</b>
C100	Fact Gathering	83.10	\$28,512.60
C400	Third Party Communication	0.70	\$350.00
L110	Fact Investigation/Development	70.00	\$28,000.00
L120	Analysis/Strategy	273.40	\$136,290.00
L130	Experts/Consultants	16.80	\$7,840.00
L143	eDiscovery - Identification and Preservation	0.50	\$250.00
L200	Pre-Trial Pleadings and Motions	10.90	\$5,260.00
L310	Written Discovery	13.40	\$5,660.00
L330	Depositions	49.00	\$19,752.50
L650	Review	38.80	\$10,077.50
L653	First Pass Document Review	8.80	\$3,520.00
L670	Production	98.70	\$19,391.00
P100	Project Administration	216.50	\$136,797.00
P240	Real and Personal Property	67.40	\$30,837.10
P280	Other	0.20	\$100.00
P300	Structure/Strategy/Analysis	580.00	\$372,208.82
P400	Initial Document Preparation/Filing	226.60	\$146,836.80
P500	Negotiation/Revision/Responses	98.10	\$63,568.80
P600	Completion/Closing	12.50	\$8,100.00
P700	Post-Completion/Post/Closing	2.20	\$1,425.60
P800	Maintenance and Renewal	1.60	\$1,036.80
<b>Total:</b>		<b>1,869.20</b>	<b>\$1,025,814.52</b>

In addition, in order to facilitate the Court's, the United States Trustee's, the Fee Examiner's, and parties' review of the fees for which Coblentz seeks approval and payment hereunder in the context of this Interim Fee Application, Coblentz provides the following

alternative Task (Matter Code) Table, which Table segregates the Special Counsel matters Coblentz has handled for the Debtors during the Interim Fee Period by the Coblentz Matter Name/Matter Number for such matters. *The following table reflects the same hours and same amounts as the preceding Task Code Table, but is organized in a different format that Coblentz believes is more consistent with the applicable Guidelines:*

**ALTERNATIVE TASK (MATTER) COMPENSATION TABLE**  
**FOR JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019**

TASK (MATTER) CODE	DESCRIPTION	HOURS	AMOUNT
02898-110	General Real Estate	21.80	\$13,986.60
02898-357	Land Stewardship	531.70	\$341,337.88
02898-376	Hinkley CA Purchases	26.90	\$10,227.80
02898-799	Contract Review - Real Estate / Shared Services	342.30	\$207,835.40
16213-043	Salinas MGP / California Water Service Company Purchase	0.30	\$90.60
16213-045	Richmond Substation S Land Sale	77.00	\$33,875.40
16213-047	Lyons Land and Cattle, Merced	11.50	\$7,362.40
16213-056	CPUC Regulatory Investigation	238.80	\$113,453.00
16213-058	LCC Conservation Easement Compliance	7.90	\$4,711.54
16213-060	DWR - Oroville Dam	343.20	\$123,368.00
16213-084	Sale of Sheridan Property Area (Placer Co.)	0.10	\$36.90
16213-089	General Advice and Counsel - Surplus Disposition	63.40	\$41,083.20
16213-094	Purchase of Gabany Property (Sonoma County)	0.40	\$113.60
16213-101	Bankruptcy Special Counsel-Related Services	175.60	\$109,993.80
16213-106	Local Community Energy Fire Resiliency	28.30	\$18,338.40
<b>Total:</b>		<b>1,869.20</b>	<b>\$1,025,814.52</b>

**EXPENSE SUMMARY**  
**JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019**

The expenses incurred by the Debtors and billed by Coblenz to the Debtors in connection with the Special Counsel matters Coblenz has been handling during the Interim Fee Period are as follows:

EXPENSES	AMOUNTS
Computerized Research	N/A
Meals	N/A
Travel	N/A
Transportation	\$121.18
Duplicating	633.37
Transcription (Deposition) Services	\$15,941.57
Third Party Consulting Fees	N/A
Telephone Conferencing	N/A
Messenger	\$436.70
Filing Fees	112.50
Litigation Support Vendors	N/A
Sacramento Superior Court Case Access System Retrieval Fee	7.00
Court Website Subscription Fee for Case No. JCCP4974	\$343.00
<b>Total Expenses Requested:</b>	<b>\$17,595.12</b>

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**UNITED STATES BANKRUPTCY COURT  
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**In re:**  
**PG&E CORPORATION,**  
**-and-**  
**PACIFIC GAS & ELECTRIC COMPANY,**  
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- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors

*\* All papers shall be filed in Lead Case No.  
19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**FIRST INTERIM FEE APPLICATION OF  
COBLENTZ PATCH DUFFY & BASS LLP  
FOR ALLOWANCE AND PAYMENT OF  
COMPENSATION AND  
REIMBURSEMENT OF EXPENSES  
(JANUARY 29, 2019 THROUGH  
SEPTEMBER 30, 2019)**

Date: TBD

Time: 10:00 a.m. (Pacific Time)

Place: United States Bankruptcy Court  
Courtroom 17, 16th Floor  
San Francisco, CA 94102

Judge: Hon. Dennis Montali

**Objection Deadline:** December 4, 2019 at  
4:00 p.m. (Pacific Time)



Coblentz Patch Duffy & Bass LLP (“**Coblentz**” or the “**Firm**”), Special Counsel to PG&E Corporation and Pacific Gas and Electric Company (the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submits its First Interim Fee Application (the “**Interim Application**”) for allowance and payment of compensation for professional services rendered and for reimbursement of actual and necessary expenses incurred for the period commencing January 29, 2019, through September 30, 2019 (the “**Interim Fee Period**”), pursuant to the *Order Pursuant to 11 U.S.C. §§ 331 and 105(a) and Fed. R. Bankr. P. 2016 for Authority to Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, entered on February 27, 2019 [Docket No. 701] (the “**Interim Compensation Procedures Order**”), sections 330 and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), the *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees* (the “**Northern District Guidelines**”), the *United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330* (the “**UST Guidelines**”), and the Local Bankruptcy Rules for the Northern District of California.

The Interim Application is based upon the points and authorities cited herein, the Certification of Gregg M. Ficks filed concurrently herewith, the exhibits attached hereto and/or thereto, the pleadings, papers, and records on file in this case, and any evidence or argument that the Court may entertain at the time of the hearing on the Interim Application.

#### **CASE BACKGROUND AND STATUS**

##### **A. The Debtors’ Bankruptcy Proceedings**

The Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code on January 29, 2019 (the “**Petition Date**”). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed.

On February 12, 2019, the Office of the United States Trustee for the Northern District of California (the “**U.S. Trustee**”) appointed an Official Committee of Unsecured Creditors in the Debtors’ cases (the “**Creditors’ Committee**”). On February 15, 2019, the U.S. Trustee appointed

1 an Official Committee of Tort Claimants (the “TCC”). On May 29, 2019, upon the request of the  
2 U.S. Trustee, the Court appointed Professor Bruce A. Markell as the fee examiner in these Chapter  
3 11 Cases (the “**Fee Examiner**”).

4 Based on information and belief, a description of the Debtors’ business, capital structure,  
5 and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the *Amended*  
6 *Declaration of Jason P. Wells in Support of First Day Motions and Related Relief* [Docket No.  
7 263].

8 **B. The Debtors’ Retention of Coblentz**

9 On July 11, 2019, the Court entered the *Order Authorizing Debtors Pursuant to 11 U.S.C.*  
10 *§ 327(a) and Fed. R. Bankr. P. 2014(a) and 2016 to Retain and Employ Coblentz Patch Duffy &*  
11 *Bass LLP Nunc Pro Tunc to the Petition Date* [Docket No. 2926] (the “**Retention Order**”). A  
12 copy of the Retention Order is attached hereto as **Exhibit A**.

13 The Retention Order authorizes the Debtors to compensate and reimburse the Firm  
14 pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Northern District Guidelines, and the  
15 Interim Compensation Order. Subject to the Firm’s application to the Court, the Debtors also are  
16 authorized by the Retention Order to compensate Coblentz for services performed at hourly rates  
17 that Coblentz has discounted for the Debtors as described in the application seeking the Firm’s  
18 employment [Docket No. 2595], and to reimburse Coblentz for actual and necessary expenses  
19 incurred.

20 The Retention Order authorizes Coblentz to provide the following services to the Debtors:

- 21 • advise and represent PG&E in real estate purchase and sale transactions and matters,  
22 lease transactions and matters, and related or similar work, as further described in the  
23 Debtor’s Application to retain Coblentz as Special Counsel (the “**Retention**  
24 **Application**”) and the Declarations of Gregg M. Ficks filed in support thereof (the  
25 “**Ficks Declarations**”);
- 26 • advise and represent PG&E in land conservation commitment transactions and matters,  
27 and related or similar work, as further described in the Retention Application and the  
28 Ficks Declarations;

- advise and represent PG&E in litigation, investigatory, and regulatory matters, including in the DWR Matter, and related or similar work, as further described in the Retention Application and the Ficks Declarations;
- advise and represent PG&E in the Ex Parte OII Matter, and related or similar work, as further described in the Retention Application and the Ficks Declarations; and
- perform any other necessary legal services requested by the Debtors, and accepted by Coblentz, during the pendency of these Chapter 11 cases.

**C. Professional Compensation and Reimbursement of Expenses Requested**

By this Interim Application, the Firm seeks interim allowance of compensation in the amount of \$1,025,814.52, and allowance of actual and necessary expenses in the amount of \$17,595.12, for a total allowance of \$1,043,409.64.

By this Interim Application, Coblentz further seeks Court approval and authority for Debtors to make payment of the \$205,162.90 hold-back accrued during the Interim Fee Period (*i.e.*, Coblentz requests approval and payment of the 20 percent of the requested fees that the Debtors held-back from payment to Coblentz during the Interim Fee Period in accordance with the Interim Compensation Procedures Order).

All services for which Coblentz requests compensation were performed for or on behalf of the Debtors. Coblentz has received no payment and no promises for payment from any source other than the Debtors for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Interim Application.

There is no agreement or understanding between Coblentz and any other person other than the partners of Coblentz for the sharing of compensation to be received for services rendered by Coblentz in these cases. As of the Petition Date, the Firm had no retainer from, or balance owing to, the Debtors. In connection with the Special Counsel matters for which Coblentz has been retained in these Chapter 11 Cases, as of this date Coblentz has been paid \$730,068.85 in post-petition fees and reimbursed \$12,329.12 in post-petition expenses, and Coblentz anticipates receiving payment of \$90,582.77 in post-petition fees and \$5,266.00 in post-petition expenses on account of its Eighth Monthly Fee Statement (for September 2019 Invoices) [Dkt. No. 4528] on,

1 or prior to, the hearing on this Application. The immediately preceding amounts, consisting of a  
2 total of \$820,651.62 in fees and \$17,595.12 in costs (\$838,246.74 combined), have been paid, or  
3 will be paid prior to the hearing on this Interim Fee Application, pursuant to the Interim  
4 Compensation Procedures Order, but have not yet allowed, and Coblenz requests allowance  
5 hereby.

6 The Firm has billed the Debtors in these Chapter 11 Cases in accordance with its existing  
7 billing rates, as discounted for the Debtors as described in the Retention Application and/or Ficks  
8 Declarations, and in accordance with procedures in effect during the Interim Fee Period. These  
9 rates are the same rates Coblenz charges for services rendered by its attorneys and  
10 paraprofessionals in comparable matters, less the discounts provided, and are reasonable given the  
11 compensation charged by comparably skilled practitioners in similar matters. The Summary Sheet  
12 filed herewith contains tables listing the Coblenz attorneys and paraprofessionals who have  
13 performed services for the Debtors during the Interim Fee Period, including their job titles, hourly  
14 rates, aggregate number of hours worked in this matter, and, for attorneys, the year in which each  
15 professional was licensed to practice law. The Summary Sheet also contains tables summarizing  
16 the hours worked by the Firm's attorneys and paraprofessionals broken down by project billing  
17 code, and further broken down for each matter for which the Firm is providing services to for the  
18 Debtors. Coblenz maintains computerized time records, which have been filed on the docket in  
19 invoice format with the Firm's monthly fee statements and furnished to the Debtors, counsel for  
20 the Creditors' Committee and the TCC, the U.S. Trustee, and the Fee Examiner in the format  
21 requested by the Interim Compensation Procedures Order, and/or in the format requested by those  
22 parties.

23 **D. Voluntary Discounts and Write-Offs Coblenz Previously Provided to the**  
24 **Debtors Related to Fees and Costs Incurred During the Interim Fee Period**

25 The fees and costs for which Coblenz requests approval and payment under this Interim  
26 Fee Application are net of \$247,024.41 in voluntary fee and cost reductions Coblenz already has  
27 provided to the Debtors in connection with the Interim Fee Period: (1) as pre-invoicing write-offs  
28 Coblenz provided to the Debtors prior to issuing the invoices; (2) as agreed hourly rate discounts

1 Coblentz provided to the Debtors, as approved under the Retention Order; and/or (3) in order to  
2 avoid billing for fees or costs that may have been inconsistent with applicable Orders, Guidelines,  
3 or the Protocol in these Bankruptcy Cases. This \$247,024.11 reduction consists of the following:

- 4 • Coblentz's previously agreed reduced rates in these Special Counsel matters  
5 resulted in a reduction of \$204,204.98 in legal fees from Coblentz's standard  
6 hourly rates for the services performed for the Debtors during the Interim Fee  
7 Period;
- 8 • Coblentz reduced its professional hours spent in these Special Counsel matters  
9 during the Interim Fee Period by 82 hours prior to issuing applicable invoices,  
10 resulting in a voluntary reduction of \$28,858.50 in legal fees;
- 11 • Coblentz wrote-off \$10,745.55 in costs incurred during the Interim Fee Period prior  
12 to issuing applicable invoices; and
- 13 • Coblentz provided a previously agreed volume discount of \$3,215.38 to the  
14 Debtors for land conservation work performed during the Interim Fee Period.

15 **E. Budget and Budget-to-Actual Performance**

16 Debtors provide annual budgets to Coblentz for some (but not all) of the matters Coblentz  
17 handles for them. These budgets are subject to periodic review and adjustments by the Debtors  
18 during the course of each year. To the extent the Debtors have provided current budgets to  
19 Coblentz for the matters Coblentz is handling for it, Coblentz has not exceeded those budgets  
20 during the Interim Fee Period.

21 **JURISDICTION**

22 This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. sections 157 and  
23 1334. This is a core proceeding pursuant to 28 U.S.C. section 157(b). Venue is proper before this  
24 Court pursuant to 28 U.S.C. sections 1408 and 1409.

25 **PROJECT BILLING AND NARRATIVE STATEMENT OF SERVICES RENDERED**

26 During the Interim Fee Period, Coblentz professionals expended 1869.20 hours on behalf  
27 of the Debtors. Of this, 1482.10 hours were expended by partners and of counsel, 1863.50 by  
28 associates, and 200.60 by paraprofessionals. Under this engagement, Coblentz's attorneys who

1 billed during the time period covered by this Application billed at discounted hourly rates ranging  
2 from \$334.00 to \$648.00, for a blended attorney rate of \$587.10 during the Interim Fee Period.

3 In accordance with the Interim Compensation Procedures Order, the Northern District  
4 Guidelines, and the Local Rules, the Firm has classified the services it has performed for the  
5 Debtors during the Interim Fee Period into the following fourteen (14) categories, which  
6 categories reflect the Coblentz Matter Names/Matter Numbers under which Coblentz has invoiced  
7 the Debtors during the Interim Fee Period. Detailed time entries for the following categories  
8 previously have been filed with the Court and served in accordance with the Interim  
9 Compensation Procedures Order under Coblentz's First through Eighth Monthly Fee Statements  
10 [Dkt. Nos. 3679, 3741, 3742, 3763, 3765, 3771, 4038, and 4528] following entry of the Retention  
11 Order. Coblentz hereby incorporates those time entries into this Interim Fee Application, and  
12 refers any interested party to them.

13 **I. Real Estate/Land/Conservation Easement/Eminent Domain**

14 **A. Contract Review – Real Estate/Shared Services (Coblentz Matter**  
15 **No. 02898-799)**

16 This matter includes time spent on real property transactions, primarily drafting and  
17 negotiating lease documents. During this time period, Coblentz worked on 11 leases for customer  
18 service, warehouse and yard, office, and hangar spaces, 16 lease amendments for existing PG&E  
19 facilities, and numerous notices to landlords exercising options to extend or hold over. This  
20 matter also includes time spent in interpreting leases, representing PG&E in any disputes with  
21 landlords, and communicating with PG&E representatives and opposing counsel.

22 Total Hours: 342.30

Total Fees: \$207,835.40

23 **B. General Advice and Counsel – Surplus Disposition (Coblentz Matter**  
24 **No. 16213-089)**

25 This matter includes time working with PG&E representatives to develop four Purchase  
26 and Sale Agreement templates for the sale of PG&E surplus properties. The four templates will be  
27 used in circumstances in which (1) the subject property has no or minor environmental issues and  
28 no CPUC approval is required, (2) the subject property has no or minor environmental issues and

CPUC approval is required, (3) the subject property has environmental issues and no CPUC approval is required, and (4) the subject property has environmental issues and CPUC approval is required. The Purchase Agreements contain alternate provisions and numerous notes to the drafter that are intended to facilitate preparation of initial drafts of Purchase Agreements by non-attorneys. This matter also includes time to develop a form letter of intent for such sales.

Total Hours: 63.40

Total Fees: \$41,083.20

**C. Richmond Substation S Land Parcel (Coblentz Matter No. 16213-045)**

This matter reflects time devoted to PG&E's acquisition of a parcel of land adjoining property currently owned by PG&E in Richmond, California. The matter includes preparing and monitoring a checklist of critical dates and closing documents and coordinating due diligence review with PG&E representatives. This matter required extensive title review, including analysis of not only title of the subject property, but also title of private roads and an adjoining parcel owned by the City of Richmond. This matter also involved preparing a title objection letter, drafting a notice waiving contingencies, and extensive communications with the title company.

Total Hours: 77.00

Total Fees: \$33,875.40

**D. Hinkley, CA Purchases (Coblentz Matter No. 02898-376)**

This matter reflects time assisting PG&E in acquiring properties in Hinkley, California. During this time period, Coblentz worked on transactions with 8 different property owners. Tasks include drafting and approving Purchase Agreements as to form, reviewing title, preparing escrow instructions, and coordinating closings. This matter also includes time tracking the status of transactions, participating in bi-monthly conference calls to review pending transactions, and communicating with PG&E representatives and the title company.

Total Hours: 26.90

Total Fees: \$10,227.80

**E. Local Community Energy Fire Resiliency (Coblentz Matter No. 16213-106)**

This matter reflects time working with PG&E representatives to develop a form License Agreement and a form Amendment to existing License Agreements to provide for customer resource centers during Public Safety Power Shutoff Events. This matter also includes advising PG&E in negotiating and interpreting license agreements for particular locations.



Total Hours: 28.30

Total Fees: \$18,338.40

**F. Lyons Land and Cattle, Merced (Coblentz Matter No. 16213-047)**

This matter reflects attention to post-closing agreements following PG&E's acquisition of property for construction of a service center in Merced. The time includes negotiations with the Merced Irrigation District regarding a Deferred Fee Subdivision Drainage Agreement, analysis of the status of the Pipeline Construction Agreement with the adjoining property owner, and communications with PG&E representatives.

Total Hours: 11.50

Total Fees: \$7,362.40

**G. General Real Estate (Coblentz Matter No. 02898-110)**

This matter reflects time in tracking the status of various real estate transactions and updating a monthly status report delivered to PG&E's in-house counsel.

Total Hours: 21.80

Total Fees: \$13,986.60

**H. Purchase of Gabany Property (Coblentz Matter No. 16213-094)**

This matter reflects paralegal time to review the final title policy for conformance with the pro forma policy in connection with a PG&E acquisition of real property.

Total Hours: 0.40

Total Fees: \$113.60

**I. Salinas MGP/California Water Service Company Purchase (Coblentz Matter No. 16213-043)**

This matter reflects the time of a paralegal to review the title policy for conformance with the pro forma policy following PG&E's acquisition of property in Salinas from the California Water Service Company.

Total Hours: 0.30

Total Fees: \$90.60

**J. Sale of Sheridan Property (Placer County) (Coblentz Matter No. 16213-084)**

This matter reflects communications with the title company to wind up an escrow following the buyer's termination of an agreement to purchase PG&E property.

Total Hours: 0.10

Total Fees: \$36.90

**K. Land Stewardship (Coblentz Matter No. 02898-357)**

This matter involves the implementation of PG&E's "Land Conservation Commitment"



1 pursuant to its 2003 bankruptcy settlement. The settlement requires PG&E to ensure that  
2 approximately 140,000 acres of PG&E's watershed lands are protected through conservation  
3 easements or similar instruments together, in some cases, with fee title transfers. The Land  
4 Conservation Commitment involves roughly 100 transactions. Coblentz provided services for  
5 approximately 36 transactions of these transactions during the Interim Fee Period.

6 Coblentz serves as primary transactional counsel for this matter. Coblentz's work involves  
7 a broad range of tasks. Coblentz has primary responsibility for drafting, reviewing, and  
8 negotiating documents such as deeds, access easements, conservation easements, donation letters,  
9 environmental indemnity agreements, powers of termination, baseline documentation reports,  
10 Transaction Agreements (the equivalent of a purchase and sale agreement in a sale context),  
11 subdivision documentation, title reports, property descriptions, and escrow instructions.  
12 Coblentz's work also involves assistance with various real estate issues associated with the  
13 involved properties, including issues relating to title report items (*e.g.*, access issues, title  
14 encumbrances, subdivision issues, third party rights), leases, licenses, and permits. Once  
15 documents have been drafted and negotiated, Coblentz assists with PG&E's internal approval  
16 process, providing final documents, legal approval of such documents as to form, and providing  
17 transaction summaries for review by PG&E personnel approving PG&E's execution of such  
18 documentation. After regulatory approval, Coblentz is responsible for preparing and/or reviewing  
19 the final conveyance documents and coordinating the closings. Coblentz participates in regular  
20 teleconferences and meetings with PG&E representatives to review the portfolio of pending  
21 transactions, discussing the status of transactions, identifying issues to be pursued, and updating a  
22 schedule for completion of deliverables by the PG&E and other participants in the transactions.

23 Total Hours: 531.70

Total Fees: \$341,337.88

24 **L. LCC Conservation Easement Compliance (Coblentz Matter No. 16213-060)**

25 Ownership of certain of the properties covered by PG&E's Land Conservation  
26 Commitment are retained by PG&E, and such properties are encumbered by conservation  
27 easements entered into by PG&E with the holders of such easements (*e.g.*, non-profit conservation  
28 organizations). The conservation easements require PG&E to perform certain obligations (*e.g.*,

1 annual reporting and consultation with the easement holders), and restrict certain activities on the  
2 properties. Coblentz is the primary outside counsel assisting PG&E in its performance of these  
3 duties. This work includes assistance with PG&E's annual reporting and consultation  
4 requirements, including review of annual reports and advice on how PG&E's duties should be  
5 satisfied. Coblentz also provides assistance with the interpretation of conservation easement  
6 provisions and the development of policies relating to the performance of duties under such  
7 conservation easements.

8 Total Hours: 7.90

Total Fees: \$4,711.54

9 **II. Litigation, Including CPUC, Regulatory, and Investigative**

10 **A. CPUC Regulatory Investigation (Coblentz Matter No. 16213-056)**

11 Coblentz's work on the matter has included review and analysis of thousands of records  
12 from the files of the utility concerning potential interactions with the CPUC to determine  
13 relevance and potential discoverability in the OII, as well as managing production of relevant  
14 materials and negotiating the scope of discovery with CPUC staff and other interested parties  
15 participating in the OII. Coblentz negotiated with CPUC staff and interested parties concerning a  
16 case management schedule, and the appropriate manner of creating a record of the case upon  
17 which the CPUC may base a decision, culminating in a joint case management submission and a  
18 pretrial conference before the assigned Administrative Law Judge at the CPUC.

19 Following the completion of discovery, Coblentz negotiated with CPUC staff and  
20 interested parties concerning the contents of an appropriate factual record for the CPUC's  
21 consideration. This involved the review and analysis of dozens of materials potentially to be  
22 included in the record (as well as the implications of including those materials), the drafting and  
23 revising of written factual stipulations, narrative summaries concerning certain issues in the case,  
24 and the creation of a joint evidentiary record to be submitted to the CPUC.

25 Coblentz then negotiated a settlement of this matter with CPUC staff and the interested  
26 parties, as well as a joint motion in support of the settlement to be submitted to the CPUC.  
27 Coblentz has taken substantial drafting responsibility for each of the joint written materials  
28 described above. The work has also involved strategic discussions with the client concerning

1 discovery issues and settlement.

2 Coblentz also handled various ancillary e-discovery projects, such as searching for and  
3 managing electronic materials relevant to discovery, and analyzing preservation issues.

4 Total Hours: 238.80

Total Fees: \$113,453.00

5 **B. PG&E v. DWR / Oroville Dam Crisis Litigation (Coblentz Matter**  
6 **No. 16213-060)**

7 In this litigation matter, Coblentz has traveled to Sacramento for, and participation in, case  
8 management conferences, and telephonically participated in various case management and  
9 discovery conferences involving the coordinated plaintiffs and DWR. Coblentz also has reviewed,  
10 analyzed, and revised various joint discovery and case management materials common to the  
11 coordinated plaintiffs. Coblentz also has monitored and analyzed various pleadings submitted by  
12 the coordinated plaintiffs and DWR for relevance to PG&E's claims in the matter.

13 Coblentz's work on this matter also has included telephonically attending numerous  
14 depositions of DWR personnel and analyzing the strategic implications of information developed  
15 through these depositions. Coblentz has also devised search strategies for identifying and  
16 analyzing the most relevant materials among more than 900,000 documents produced by DWR in  
17 discovery in the coordinated proceedings, as well as materials used in various depositions in the  
18 matter, and analyzing those materials. Coblentz also has analyzed and summarized the utility's  
19 damages claims in accordance with a case management order in the matter. Coblentz also has  
20 begun the process of reviewing and analyze potentially responsive materials from the files of the  
21 utility in response to discovery requests from DWR. Coblentz also has prepared and propounded  
22 discovery requests to DWR.

23 Coblentz's work on the matter also has involved strategic conferences with the client and  
24 analysis of e-discovery issues relevant to discovery from both DWR and the utility. Coblentz also  
25 has assessed potential expert candidates.

26 Total Hours: 343.20

Total Fees: \$123,368.00

1 **III. Bankruptcy Special Counsel-Related Services (Coblentz Matter No. 16213-101)**

2 Total Hours: 175.60 Total Fees: \$109,993.80

3 The following sub-category calculations were made by best effort *manual* sub-  
4 categorization and sub-calculation. They are good faith calculations.

5 **A. Coblentz First Through Seventh Monthly Fee Statements**

6 This sub-category relates to work preparing Coblentz's First through Seventh Monthly Fee  
7 Statement, including communications with the Fee Examiner's office, United States Trustee, and  
8 related communications.

9 Total Hours: 50.10 Total Fees: \$31,212.30

10 **B. Coblentz First Interim Fee Application**

11 During the Interim Fee Period, the Firm began preparation of its First Interim Fee  
12 Application. Most of the work related to this First Interim Fee Application has been performed  
13 after the Interim Fee Period, however, and will be included in Coblentz's Second Interim Fee  
14 Application.

15 Total Hours: 4.9 Total Fees: \$3,052.70

16 **C. Coblentz Retention and Disclosures**

17 Coblentz attorneys prepared the Debtors' application for retention of Coblentz as Special  
18 Counsel, and related Court filings. Coblentz also reviewed materials for disclosures regarding its  
19 retention, investigated actual or potential disclosures, reported applicable disclosures, and updated  
20 the disclosures. Coblentz filed a supplemental Declaration in support of the Retention  
21 Application, and attended a hearing thereon.

22 Total Hours: 116.20 Total Fees: \$74,233.60

23 **D. Fee Examiner Motion for Approval of Fee Protocols**

24 During the Interim Fee Period, the Firm reviewed and analyzed the Fee Examiner's  
25 Motion for Approval of Fee Protocols, participated in a joint opposition re same, and  
26 communicated with other Debtors' counsel re same.

27 Total Hours: 2.4 Total Fees: \$1,495.20

28

**EXPENSE SUMMARY**  
**JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019**

During the Interim Fee Period, the Firm advanced costs on behalf of the Debtors in connection with the discharge of the duties described in the Interim Application. During the Interim Fee Period, Coblenz incurred a total of \$17,595.12 in expenses. These expenses are further specified on the last page of the Summary Sheet filed herewith, and are reasonable and necessary to the Special Counsel services Coblenz has provided. Receipts for all significant expenses have been provided to the Debtors and to the Fee Examiner.

**LEGAL BASIS FOR INTERIM COMPENSATION**

The professional services for which Coblenz requests interim allowance of compensation and reimbursement of expenses were rendered and incurred in connection with the Special Counsel matters for which Coblenz has been employed, and in the discharge of Coblenz's professional responsibilities as Special Counsel for the Debtors during these Chapter 11 Cases. Coblenz's services have been necessary and beneficial to the Debtors and their estates, creditors, and other parties in interest.

In accordance with the factors enumerated in section 330 of the Bankruptcy Code, Coblenz respectfully submits that the amount requested by Coblenz is fair and reasonable given the complexity of these Special Counsel matters, the time expended, the nature and extent of the services rendered, the value of such services, and the costs of comparable services other than in connection with a case under the Bankruptcy Code. Moreover, Coblenz has reviewed the requirements of the Interim Compensation Procedures Order, the Northern District Guidelines, and the UST Guidelines, and believes that the Interim Application substantially complies with those documents, except as follows:

A. The project categories described in the Interim Application sometimes include fees beyond the generally applicable \$20,000 project billing threshold (Court Guideline For Compensation I.3.) due to the impracticality of further breaking-out the categories, the cost/benefit balance of further dissecting these categories especially in light of the narrow margin above the ordinary course professional threshold that has caused Coblenz to undertake participation in

1 Special Counsel procedures and requirements, as opposed to being considered an ordinary course  
2 professional in these cases, and Coblentz's relatively small role in these Bankruptcy Cases, relative  
3 to larger firms handling larger parts of the cases;

4 B. Time entries in this Interim Fee Application include some time (approximately 5.2  
5 hours resulting in \$3,239.60 in fees) for revising and reducing proposed invoices prior to issuance  
6 of the invoices in order to try to conform the fees and costs therein to the applicable Guidelines  
7 and requirements. Coblentz requests that these fees be allowed for the same reasons as set forth in  
8 Item A, above; and

9 C. Time entries during the Interim Fee Period include time related to the extensive  
10 conflicts check and review required in these large Bankruptcy Cases. Coblentz requests that the  
11 Court approves the fees for these time entries for the same reasons set forth in Item A, above.

12 To the extent the fees or costs for which Coblentz seeks approval herein are inconsistent  
13 with the Revised Fee Examiner Protocol (the “**Protocol**”) [Dkt. No. 4473-1], Coblentz, for the  
14 reasons set forth above, objects to the Protocol pursuant to the procedure established in the Notice  
15 of Filing of the Protocol [Dkt. No. 4473] at pg. 2-3.

#### 16 AVAILABLE FUNDS

17 The Firm understands that the Debtors’ estates have sufficient funds available to pay the  
18 fees and costs sought herein.

#### 19 NOTICE

20 Notice of the Interim Application has been provided to parties-in-interest in accordance  
21 with the procedures set forth in the Interim Compensation Order. Coblentz submits that, in view  
22 of the facts and circumstances of these Chapter 11 Cases, such notice is sufficient and no other or  
23 further notice need be provided.

#### 24 CONCLUSION

25 Coblentz respectfully requests allowance of compensation to Coblentz in the amount of  
26 \$1,025,814.52, and allowance of actual and necessary expenses in the amount of \$17,595.12, for a  
27 total allowance of \$1,043,409.64. Coblentz further respectfully requests authorization for the  
28 Debtors to pay the previously held-back amount \$205,162.90 (20% of the allowed fees), and for

1 such other and further relief as this Court deems proper.

2 DATED: November 14, 2019

Respectfully submitted,

3 COBLENTZ PATCH DUFFY & BASS LLP

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By: /s/ Gregg M. Ficks

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Gregg M. Ficks  
Special Counsel to Debtors  
and Debtors in Possession

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**NOTICE PARTIES**

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